

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, D. C.

ORDER NO. 1433

IN THE MATTER OF:

Application of EXECUTIVE LIMOUSINE)	Served May 27, 1975
SERVICE, INC., for Temporary)	
Authority)	Application No. 823
)	
Application of EXECUTIVE LIMOUSINE)	Application No. 824
SERVICE, INC., for Certificate of)	
Public Convenience and Necessity)	Docket No. 272

By Application No. 824, dated December 1, 1973, Executive Limousine Service, Inc. (Executive) seeks a certificate of public convenience and necessity pursuant to Title II, Article XII, Section 4(b) of the Compact, to provide transportation of air line crews and employees together with baggage, over irregular routes, between Dulles International Airport (Dulles), Herndon, Virginia, or Washington National Airport (National), Gravelly Point, Virginia, on the one hand, and on the other points within the Metropolitan District. In Order No. 1364, served October 18, 1974, the Commission dismissed that portion of the application seeking authority to perform the proposed service between Dulles or National and points located within the Commonwealth of Virginia. Executive filed an application for reconsideration of the Commission's dismissal. The application for reconsideration was denied by Order No. 1382, served November 27, 1974.

A petition to postpone the hearing and amend the scope of Application No. 824 was filed November 18, 1974, and was granted in Order No. 1380, served November 22, 1974. Executive proposes to provide transportation of airline crews and employees under separate continuing contracts with Aeroflot-Soviet Airlines (Aeroflot), Air France, British Overseas Airways Corporation (British Airways), Delta Air Lines, Inc. (Delta), Trans World Airlines, Inc. (TWA), and Ground Services, Inc. (Ground Services). Executive filed as part of the initial application a proposed tariff.

By Order Nos. 1364 and 1380, Application No. 824, as amended, was assigned for public hearing on January 9, 1975. The purpose of the

public hearing was to fully develop the basis for any finding as to Executive's fitness to perform the proposed transportation service and the existing requirements of the public convenience and necessity for the proposed transportation service. Greyhound Airport Service, Inc. (Greyhound) filed on October 23, 1974, a notice of intent to be heard at the hearing. Greyhound did not appear at the hearing.

Executive is headquartered in Arlington, Virginia, and operates as a for-hire carrier engaging in several forms of regulated transportation of passengers within the Metropolitan District. The Commission issued Executive Certificate of Public Convenience and Necessity No. 18. That certificate authorizes Executive to perform special operations over irregular routes between Dulles on the one hand, and on the other, the Burlington Hotel, Vermont Avenue at Thomas Circle, N. W., Washington, D. C., and between Dulles on the one hand, and on the other, the Quality Inn-Capitol Hill, 415 New Jersey Avenue, N. W., Washington, D. C., with an intermediate stop at L'Enfant Plaza Hotel, 480 L'Enfant Plaza East, S. W., Washington, D. C. Executive also performs private limousine service.

To perform the proposed service, Executive would use vehicles ranging in size from 8-passenger capacity to 14-passenger capacity. These vehicles would be equipped with two-way radios. Executive's list of equipment to be utilized in this service includes two 8-passenger vehicles, one 11-passenger vehicle, and five 14-passenger vehicles. These vehicles also would be used in the performance of the other transportation services offered by Executive. The drivers are specially trained to operate these vehicles and to drive on the aerodrome at Dulles. Executive provides a safety program and maintains the vehicles in its own garage.

Executive would provide the proposed service as required. Generally, the crews to be transported would be stationed at points other than the Metropolitan District. Arriving and departing area airports, they require transportation to and from hotels located within the Metropolitan District. This transportation requirement is the result of agreements between the airlines and the crew members and flight attendants.

Executive would not transport persons other than crew members simultaneously in the same vehicle. The rate would be paid by the airline on a per vehicle trip basis without cost to the crew member being transported. The rate per vehicle trip is determined by negotiation between the individual airline and Executive.

Several financial statements portraying Executive's position on September 30, 1974, were submitted. A balance sheet statement indicates total assets of \$106,119, including current assets of \$56,921 and net fixed assets of \$45,613, total liabilities of \$45,985 and total equity of \$60,134. Executive's income statement for the 8 month period ended

September 30, 1974, shows total revenues of \$120,641 and total operating expenses of \$109,386. The operations generated a profit of \$11,255 before taxes. Approximately 80 percent of the revenues, expenses and profits resulted from the transportation of airline crews.

DISCUSSION AND CONCLUSIONS

The findings to be made by the Commission with respect to applications for certificates of public convenience and necessity are set forth in Title II, Article XII, Section 4(b) of the Compact. The Commission must make two separate findings. First, the applicant must be "fit, willing and able" to perform the proposed transportation properly and to conform to the provisions of the Compact and the rules, regulations and requirements of the Commission thereunder. Second, the proposed transportation "must be or will be required" by the public convenience and necessity.

The Commission believes that the record supports a finding that Executive is fit, willing and able to perform the proposed transportation properly and to conform to the provisions of the Compact and the rules, regulations and requirements of the Commission thereunder.

With respect to the nature of the proposed service for each airline, the Commission is of the opinion that Executive would be a contract charter carrier.

"[A] contract charter carrier is any person which engages in transportation of passengers for hire under a continuing written contract for the furnishing of transportation services through the provision of a vehicle or vehicles to meet the distinct need and for the exclusive and periodically recurrent use of the contracting party." Investigation of Authority to Perform CONTRACT OPERATIONS, Order No. 1361, served October 16, 1974, at page 5.

The proposed service would be performed pursuant to a "continuing written contract" with each airline. The contract would require Executive to transport a defined class of persons. Executive would be required to provide a vehicle for the purpose of transporting the aircraft crews and their baggage. The contract would restrict the vehicle occupancy to only members of the aircraft crews. The transportation would be required on a recurring basis over a period of time.

The district manager for Aeroflot supported Executive's application. Aeroflot requires transportation of its crews between Dulles or

National and hotels or official offices within the Metropolitan District. At Dulles the crews would travel directly to and from planeside. At National the crews would be transported from a point removed from the aerodrome and the general public loading space.

The witness for Aeroflot stated that the only alternative transportation service available would be taxicab or Greyhound. The taxicab has limited capacity and is not permitted to operate on the aerodrome at Dulles. The Greyhound service is not acceptable because of the scheduling difficulties between the time of arrival or departure of aircraft and the motor coaches or vans operated by Greyhound.

The Commission believes that the record supports a finding that the public convenience and necessity requires the transportation of Aeroflot aircraft crews together with their baggage between Dulles or National and points within the District of Columbia or Maryland which are located within the Metropolitan District. See Compact, Title I, Article I. The Commission further finds that approval of this portion of Executive's application is required by the public convenience and necessity. The authority to be granted shall be limited to charter operations pursuant to a specific contract between Aeroflot and Executive.

The statement of the airport manager for Air France was submitted in support of Executive's application. Air France is required by contractual agreement to provide transportation for its air craft personnel between Dulles and their accommodations within the Metropolitan District. The aircraft personnel are transported to and from planeside. As a result, the carrier performing the transportation service must be authorized to operate upon the aerodrome.

The statement of the Air France airport manager indicates that the only alternative transportation service available would be taxicab or Greyhound. The taxicab is not permitted to operate on the aerodrome at Dulles and its cost is extremely high relative to other carriers. According to the statement, Greyhound has informed the airline community that it is not interested in crew transportation.

The Commission believes that the record supports a finding that the public convenience and necessity requires the transportation of Air France aircraft crews together with their baggage between Dulles and points within the District of Columbia or Maryland which are located within the Metropolitan District. The Commission further finds that approval of this portion of Executive's application is required by the public convenience and necessity. The authority to be granted shall be limited to charter operations pursuant to a specific contract between Air France and Executive.

The statement of the airport manager for British Airways was submitted in support of Executive's application. British Airways requires transportation of its crews between Dulles or National and points within the Metropolitan District. In addition, a statement by the officer commanding the Royal Air Force (RAF) air movements was submitted in support of Executive's application. RAF requires transportation of its aircrews which remain in the Metropolitan District between flights. The arrivals and departures of RAF aircrews are irregular because the occasion for their being at Dulles is training flights rather than scheduled flights. British Airways apparently is responsible for arranging the transportation of its own aircraft crews and RAF aircrews.

The statements by the airport manager for British Airways and the RAF commanding officer indicate that the only alternative transportation service available would be taxicab or Greyhound. The taxicab has limited capacity and is not permitted to operate on the aerodrome at Dulles. The Greyhound service is not acceptable.

The Commission believes that the record supports a finding that the public convenience and necessity requires the transportation of British Airways and RAF aircraft crews together with their baggage between Dulles or National and points within the District of Columbia or Maryland which are located within the Metropolitan District. The Commission further finds that approval of this portion of Executive's application is required by the public convenience and necessity. The authority to be granted shall be limited to charter operations pursuant to a specific contract between British Airways and Executive.

The station manager at Dulles for Delta supported Executive's application. Delta requires transportation of its crews directly to and from planeside between Dulles and points within the Metropolitan District. As a result the carrier performing the transportation service must be authorized to operate upon the aerodrome.

The witness for Delta stated that the only alternative transportation service available would be taxicab or Greyhound. The taxicab has limited capacity and is not permitted to operate on the aerodrome at Dulles. The Greyhound service is not acceptable. Its vehicles no longer are licensed to operate on the aerodrome at Dulles. The size of the vehicle operated by Greyhound exceeds Delta's requirements.

The Commission believes that the record supports a finding that the public convenience and necessity requires the transportation of Delta aircraft crews together with their baggage between Dulles and points within the District of Columbia or Maryland which are located within the Metropolitan District. The Commission further finds that approval of this portion of Executive's application is required by the

public convenience and necessity. The authority to be granted shall be limited to charter operations pursuant to a specific contract between Delta and Executive.

The passenger relations representative for TWA supported Executive's application. TWA requires transportation of its crews between Dulles or National and hotels within the Metropolitan District. At Dulles the crews would travel directly to and from planeside. At National the crews would be transported to and from the TWA loading area. The transportation would be required on a daily basis.

The Commission believes that the record supports a finding that the public convenience and necessity requires the transportation of TWA aircraft crews together with their baggage between Dulles or National and points within the District of Columbia or Maryland which are located within the Metropolitan District. The Commission further finds that approval of this portion of Executive's application is required by the public convenience and necessity. The authority to be granted shall be limited to charter operations pursuant to a specific contract between Executive and TWA.

The passenger service supervisor for Ground Services supported Executive's application. Ground Services is a wholly-owned subsidiary of ARA, Inc. Ground Services primary business is the ground handling of baggage, aircraft cleaning, and support servicing for airlines that do not have a sufficient volume of traffic to justify using their own personnel to perform these operations. In addition, Ground Services arranges the transportation of aircraft crews for supplemental airlines 1/ and non-tenant scheduled carriers. 2/ Supplemental airlines are defined by the Civil Aeronautics Board as airlines that perform only charter service. The supplemental airlines and non-tenant scheduled carriers use the Page Aviation ramp on the Dulles aerodrome.

1/ Ground Services currently has accounts with Trans International Airlines, Capitol Airways, World Airways, Johnson's International Airlines, and McCulloch Airways.

2/ The following airlines are illustrative of non-tenant scheduled carriers: Air Canada, ALM, KLM, Sabena, Finnair, Air Jamaica, and Air Mexico.

The witness for Ground Services stated that the supplemental airlines and non-tenant scheduled carriers require transportation for their aircraft crews between Dulles and hotels within the Metropolitan District. The transportation is required on an irregular basis and the airlines or carriers select the hotels. Ground Services apparently arranges the transportation for these airlines or carriers. Executive would directly bill the airline or carrier for any transportation provided on a vehicle trip basis.

The Commission believes that any contract between Executive and Ground Services would be a broker agreement. Ground Services would be a passenger broker. As such, Ground Services could arrange transportation with a carrier which holds the proper authority to perform the proposed transportation service. Specifically, a passenger broker may use the services of a carrier holding charter authority for the transportation of a group of passengers who, pursuant to a common purpose and under a simple contract, has acquired the exclusive use of a vehicle or vehicles to travel together. See Commission Regulation 51-06(a).

The Commission believes that the record supports a finding that the public convenience and necessity requires the transportation of supplemental airlines' and non-tenant scheduled carriers' aircraft crews together with their baggage between Dulles and points within the District of Columbia or Maryland which are located within the Metropolitan District. The Commission further finds that approval of this portion of Executive's application is required by the public convenience and necessity. The authority to be granted shall be charter operations. However, the authority shall be restricted to charter operations performed for aircraft crews of supplemental airlines or non-tenant scheduled carriers and rendered pursuant to a specific contract between Executive and Ground Services. See Compact, Title II, Article XII, Section 4(b).

The Compact requires each carrier to "file with the Commission, and keep open to public inspection, tariffs showing (1) all fares it charges for transportation subject to this Act, . . . , and (2) to the extent required by regulations of the Commission, the regulations and practices of such carrier affecting such fares." See Compact, Title II, Article XII, Section 5(a). The Commission shall direct Executive to file such a tariff.

As previously indicated, the rate for the service would be negotiated by the parties to the agreement. Although that rate has been agreed to by the person rendering the service and the person purchasing the service, the Commission "may suspend any fare, regulation, or practice shown in a tariff . . . at any time before such fare, regulation or practice would otherwise take effect." See Compact, Title II, Article XII, Section 6(a)(1). The Commission has given consideration to, among other things, the financial condition of Executive, its revenue requirements,

and whether Executive is being operated economically and efficiently. The Commission concludes that the rates set forth in the record are just, reasonable and not unduly preferential or unduly discriminatory either between riders or sections of the Metropolitan District.

The Commission has considered the other matters pressed by the parties but finds they do not warrant action contrary to that which is now directed.

THEREFORE, IT IS ORDERED:

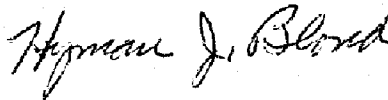
1. That Application No. 824 of Executive Limousine Service, Inc., as amended, be, and it is hereby, granted.

2. That Certificate of Public Convenience and Necessity No. 18, issued to Executive Limousine Service, Inc., pursuant to Order No. 1336, served June 21, 1974, be, and it is hereby, modified as attached hereto and made a part hereof.

3. That Executive Limousine Service, Inc., be, and it is hereby, directed to file, within ten days of the date of this order, WMATC Tariff Nos. 4, 5, 6, 7, 8, and 9 in accordance with the authorities granted herein, such tariffs to be effective upon acceptance by the Executive Director.

4. That Executive Limousine Service, Inc., be, and it is hereby, directed to file with the Commission, within ten days of the date of this order, a copy of the contract between Aeroflot-Soviet Airlines and Executive Limousine Service, Inc., a copy of the contract between Air France and Executive Limousine Service, Inc., a copy of the contract between British Overseas Airways Corporation and Executive Limousine Service, Inc., a copy of the contract between Delta Air Lines, Inc., and Executive Limousine Service, Inc., a copy of the contract between Trans World Airlines, Inc., and Executive Limousine Service, Inc., and a copy of the broker agreement between Ground Services, Inc., and Executive Limousine Service, Inc.

BY DIRECTION OF THE COMMISSION:



HYMAN J. BLOND
Executive Director

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION
CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

NO. 18

EXECUTIVE LIMOUSINE SERVICE, INC.
ARLINGTON, VIRGINIA

AFTER DUE INVESTIGATION, it appearing that the above named carrier has complied with all applicable provisions of the Washington Metropolitan Area Transit Regulation Compact, and the requirements, rules and regulations prescribed thereunder and therefore is entitled to receive authority from this Commission to engage in the transportation of passengers within the Washington Metropolitan Area Transit District, as a carrier and the Commission so finding;

THEREFORE, IT IS ORDERED, that the said carrier be, and it is hereby, granted this certificate of public convenience and necessity as evidence of the authority of the holder to engage in transportation as a carrier by motor vehicle; subject, however, to such terms, conditions and limitations as are now, or may hereafter, be attached to the exercise of the privilege herein granted to the said carrier.

IT IS FURTHER ORDERED that the transportation service to be performed by the said carrier shall be as specified below:

IRREGULAR ROUTES:

SPECIAL OPERATIONS: limited to limousine service:*

(1) Between the Dulles International Airport, Chantilly, Virginia, on the one hand, and on the other, the Burlington Hotel, Vermont Avenue at Thomas Circle, N. W., Washington, D. C.

(2) Between the Dulles International Airport, Chantilly, Virginia, on the one hand, and on the other, the Quality Inn-Capitol Hill, 415 New Jersey Avenue, N. W., Washington, D. C., with an intermediate stop at L'Enfant Plaza Hotel, 480 L'Enfant Plaza East, S. W., Washington, D. C.

CHARTER OPERATIONS PURSUANT TO CONTRACT to transport Aeroflot-Soviet Airlines aircraft crews, together with their baggage, between Dulles International Airport, Herndon, Virginia, or Washington National Airport, Gravelly Point, Virginia, on the one hand, and on the other, points within the District of Columbia or Maryland which are located within the Metropolitan District.

*CHANGED BY ORDER NO. 1343

CHARTER OPERATIONS PURSUANT TO CONTRACT to transport Air France aircraft crews, together with their baggage, between Dulles International Airport, Herndon, Virginia, on the one hand, and on the other, points within the District of Columbia or Maryland which are located within the Metropolitan District.

CHARTER OPERATIONS PURSUANT TO CONTRACT to transport British Overseas Airways Corporation and Royal Air Force aircraft crews, together with their baggage, between Dulles International Airport, Herndon, Virginia, or Washington National Airport, Gravelly Point, Virginia, on the one hand, and on the other, points within the District of Columbia or Maryland which are located within the Metropolitan District.

CHARTER OPERATIONS PURSUANT TO CONTRACT to transport Delta Air Lines, Inc., aircraft crews, together with their baggage, between Dulles International Airport, Herndon, Virginia, on the one hand, and on the other, points within the District of Columbia or Maryland which are located within the Metropolitan District.

CHARTER OPERATIONS PURSUANT TO CONTRACT to transport Trans World Airlines aircraft crews, together with their baggage, between Dulles International Airport, Herndon, Virginia, or Washington National Airport, Gravelly Point, Virginia, on the one hand, and on the other, points within the District of Columbia or Maryland which are located within the Metropolitan District.

CHARTER OPERATIONS

Between Dulles International Airport, Herndon, Virginia, on the one hand, and on the other, points within the District of Columbia or Maryland which are located within the Metropolitan District.
RESTRICTED: to the transportation of aircraft crews of supplement airlines or non-tenant scheduled carriers transported pursuant to agreement with Ground Services, Inc.

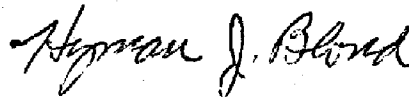
IT IS FURTHER ORDERED that the charter operations pursuant to contract authorized by this certificate of public convenience and necessity shall be limited to the performance of service pursuant to the agreement between Aeroflot-Soviet Airlines and Executive Limousine Service, Inc., the agreement between Air France and Executive Limousine Service, Inc., the agreement between British Overseas Airways Corporation and Executive Limousine Service, Inc., the agreement between Delta Air Lines, Inc., and Executive Limousine Service, Inc., and the agreement between Trans World Airlines, Inc., and Executive Limousine Service, Inc., provided, however, that written notice must be filed by the carrier with the

Commission within five (5) days of any cancellation or termination of any of the aforementioned agreements, and further provided that any change in or amendment to any of the aforementioned agreements shall be filed with the Commission for approval at least fifteen (15) days prior to the proposed effective date of such change or amendment, and further provided that any change or amendment to any of the aforementioned agreements which would involve new authority shall be subject to the provisions of the Washington Metropolitan Area Transit Regulation Compact and the Rules and Regulations of the Commission.

AND IT IS FURTHER ORDERED and made a condition of this certificate that the holder thereof shall render reasonable, continuous and adequate service to the public in pursuance of the authority granted herein, and that failure so to do shall constitute sufficient grounds for suspension, change or revocation of the certificate.

The operating authority granted by this certificate is granted pursuant to Order No.1433 , served May 27, 1975.

BY DIRECTION OF THE COMMISSION:

A handwritten signature in cursive script, reading "Hyman J. Blond".

HYMAN J. BLOND
Executive Director